

See also
Rm. 857



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

EX PARTE OR LATE FILED

RECEIVED

OCT 18 1994

DOCKET FILE COPY ORIGINAL

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Honorable Edward J. Markey
Chairman, Subcommittee on
Telecommunications and Finance
Committee on Energy & Commerce
House of Representatives
316 Ford House Office Building
Washington, D.C. 20515-6119

Dear Mr. Chairman:

This is in response to your joint letter dated September 14, 1993, regarding PR Docket 93-61, adopted March 11, 1993. This proceeding involves regulations for Automatic Vehicle Monitoring (AVM) systems. In your letter, you set forth principles that the Commission should seek to follow in deciding the outcome of this proceeding.

AVM systems are currently licensed on a shared basis in the 902-928 MHz band under interim rules adopted in 1974. Under these rules, AVM systems are only licensed on a permanent basis in two sub-bands, 904-912 MHz and 918-926 MHz. In PR Docket 93-61 we proposed to license AVM systems on a non-exclusive basis throughout the 902-928 MHz band. Research by the staff, however, and some comments from the industry indicated that various types of AVM systems may have difficulty co-existing. We proposed, therefore, to divide the 902-928 MHz band into five sub-bands: 904-912 MHz, 918-926 MHz, and the 902-904 MHz, 912-918 MHz, and 926-928 MHz. We also proposed to divide AVM systems into two categories: wide-band systems, which require a bandwidth of two to eight MHz, and narrow-band systems, which require a bandwidth of less than two megahertz. Under our proposal, wide-band systems would be licensed on a non-exclusive basis in the 904-912 and 918-926 MHz bands and narrow-band systems would be licensed on a non-exclusive basis in the remaining three sub-bands. We also proposed an alternative approach providing exclusive licensing of wide-band systems for five years, after which we would begin licensing on a non-exclusive basis.

You suggest that shared use of this spectrum will benefit the public by permitting a wider variety of services and greater competition than exclusive spectrum assignments. Our proposal is to license AVM systems in this band on a non-exclusive basis unless it proves to be technically infeasible to do so. Although AVM systems have been licensed on a shared basis in the past, there have been no instances to date where two constructed wide-band AVM systems have shared spectrum in the same market. In some instances where wide-band and narrow-band AVM have shared spectrum we have received claims of interference. Accordingly, there is no conclusive evidence that complete sharing of the 902-928 MHz band by AVM systems is feasible. During the course of this rule making proceeding, however, we are continuing to grant AVM licenses to all qualified applicants on a non-exclusive basis, just as we have done in the past.

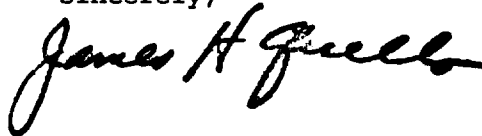
No. of Copies rec'd 2
List ABCDE

We fully realize the complicated nature of this proceeding and its far-reaching consequences for development of Intelligent Vehicle Highway Systems and our nation's transportation infrastructure in general. We also share your concern that any regulatory scheme for AVM services provide for multiple and diverse service providers. Our policy towards all mobile services has been to ensure that the customer is able to select from a broad array of service offerings at competitive rates.

We have not reached any final decisions in this proceeding yet, and we shall carefully consider the opinions expressed by all commenters before we do so. My fellow Commissioners and I share your interest in promoting a competitive environment in which a wide variety of AVM services and technologies can evolve. I assure you that these considerations will weigh significantly in our decision-making process.

I thank you for your interest in this matter. I trust this is responsive to your concerns.

Sincerely,

A handwritten signature in black ink, reading "James H. Quello". The signature is fluid and cursive, with the first name "James" and last name "Quello" clearly legible.

James H. Quello
Chairman

ONE HUNDRED THIRD CONGRESS

EDWARD J. MARKEY, MASSACHUSETTS, CHAIRMAN

W.J. "TJ" TAUBER, LOUISIANA
 RICH BRADSHAW, VIRGINIA
 THOMAS J. LAMTON, NEW YORK
 RICHARD H. LEHMAN, CALIFORNIA
 LYNN SCHERER, CALIFORNIA
 MARJORIE MARSHALL NEVINSKY,
 PENNSYLVANIA
 MIKE STRAIN, DELAWARE
 RON WYDEN, OREGON
 RALPH M. HALL, TEXAS
 GAIL RICHARDSON, NEW MEXICO
 JOE BLATTNEY, KANSAS
 JOHN BRYANT, TEXAS
 JIM COOPER, TENNESSEE
 JOHN D. DINGELL, MICHIGAN
 (EX OFFICIO)

JACK FIELDS, TEXAS
 THOMAS J. GILLEY, JR., VIRGINIA
 MICHAEL G. GILLEY, OHIO
 DAN SCHAEFER, COLORADO
 JOE BARTON, TEXAS
 ALEX MARILLAN, NORTH CAROLINA
 J. DENNIS MASTERT, KENTUCKY
 PAUL E. GILLAMOR, OHIO
 CARLOS J. MOOREHEAD,
 CALIFORNIA (EX OFFICIO)

U.S. House of Representatives
Committee on Energy and Commerce

SUBCOMMITTEE ON TELECOMMUNICATIONS AND FINANCE

Washington, DC 20515-6119

September 14, 1993

The Honorable James H. Quello
 Acting Chairman
 Federal Communications Commission
 1919 M Street, N.W.
 Washington, D.C. 20554

Dear Mr. Chairman:

We are writing to express concern regarding the Commission's Notice of Proposed Rulemaking to amend Part 90 of its rules to adopt regulations for Automatic Vehicle Monitoring (AVM) systems. AVM promotes safe and efficient highway travel in America by electronically tracking vehicles for toll collection and other purposes.

As the Commission seeks to resolve this issue we find it important to set forth certain basic principles the Commission shall seek to follow in deciding the questions presented in this docket. First, the public may well benefit by sharing of spectrum, in both theoretical and practical terms, that enables different licensees to provide varied services to the public. Second, competition among many providers of spectrum-based services ensures higher quality and lower prices for consumers. Granting exclusive use of spectrum creates no incentive to engage in the competitive practices of increasing quality and maintaining reasonable prices.

We urge the Commission to consider carefully these concerns as you proceed with allocation of this spectrum. Please share this letter with your colleagues. Thank you for your attention to this important issue.

Sincerely,


 Edward J. Markey
 Chairman


 Jack Fields
 Ranking Republican Member

ROOM 12-318
 FORD HOUSE OFFICE BUILDING
 PHONE (202) 226-2424

DAVID H. MOUTON
 CHIEF COUNSEL AND STAFF DIRECTOR

SEP 15 1993
 107